REVISED FISCAL IMPACT STATEMENT ON BILL NO. **S.75**

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TO: The Honorable Glenn McConnell, Chairman, Senate Judiciary Committee

FROM: Office of State Budget, Budget and Control Board

ANALYSTS: Tricia Tangney

DATE: January 28, 2005

AUTHOR: Senator Knotts

PRIMARY CODE CITE: 42-11-30

SUBJECT: Worker's Compensation; Firefighters and Law Enforcement Officers

ESTIMATED FISCAL IMPACT ON GENERAL FUND EXPENDITURES: See Below

ESTIMATED FISCAL IMPACT ON FEDERAL & OTHER FUND EXPENDITURES: See Below

BILL SUMMARY:

Senate Bill 75 amends Section 42-11-30, Code of Laws of South Carolina, 1976, by providing that a cardiac-related incident resulting in impairment or injury to a law enforcement officer resulting in total or partial disability or death is presumed to have arisen out of and in the course of employment under certain conditions.

EXPLANATION OF IMPACT:

Workers' Compensation Commission

Implementation of this Bill would pose no additional cost to the agency or to the General Funds appropriated to the Commission. In the workers' compensation system, these type of cases, which would encompass incidents relevant to the Bill, are relatively rare; therefore, the Bill is anticipated to have little effect on the workload of the Commission.

The State Accident Fund

The Agency is operated from the revenue generated by premiums paid to the Fund by state agencies to cover workers' compensation claims for state employees. The proposed legislation makes Worker's Compensation claims compensable that heretofore had not been compensable, and removes the requirement of an unusual and extraordinary standard for heart attacks of police officers that fit the presumptive elements. Therefore, worker's compensation rates for police officers will increase by one and one-half percent. The impact on State General Funds depends on the extent to which these funds (and/or federal and other funds) are used to pay premiums to the State Accident Fund. A one and one-half percent increase would result in a dollar increase of approximately \$153,255 annually (total - all sources of funds).

LOCAL GOVERNMENT IMPACT:

Local governments would be impacted to the same extent as state agencies.

SPECIAL NOTES:

The italicized portion of this impact indicates the items that have been revised. For this impact, the revised constitutes information that was not available in the original impact.

Approved by:

Don Addy

Assistant Director, Office of State Budget